IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF DELAWARE

MEDTRONIC VASCULAR, INC. and MEDTRONIC USA, INC,	)	
Plaintiffs,	)	
v.	)	Civ. No. 98-80-SLR
ADVANCED CARDIOVASCULAR SYSTEMS, INC. and GUIDANT SALES CORP.,	)	
Defendants.	)	

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MEMORANDUM OPINION

Dated: December 17, 2004
Wilmington, Delaware

ROBINSON, Chief Judge

I. INTRODUCTION

Medtronic AVE ("Medtronic") filed suit against Advanced Cardiovascular Systems, Inc. ("ACS") on February 18, 1998,[1] alleging patent infringement of U.S. Patent Nos. 5,292,331 and 5,674,278 (the "Boneau patents"), breach of contract, trade secret misappropriation, unfair competition, restoration of property wrongfully acquired, conversion, declaratory relief, and equitable claims. (D.I. 1) Specifically, Medtronic alleges that ACS infringes the Boneau patents by manufacturing, using, selling, offering for sale, and importing its Multi-Link stents in the United States. (Id. at ¶2) Medtronic also contends that ACS wrongfully acquired and is misusing the Boneau stent technology to develop and to patent balloon expandable stents.[2] In this regard, Medtronic seeks a declaratory judgment that its Micro Stent II and GFX Stent Delivery Systems do not infringe ACS's patents, which Medtronic argues are based on wrongfully acquired information about the Boneau technology.

On March 30, 1998, ACS answered the complaint denying Medtronic's allegation and asserting a variety of affirmative defenses, including the "first-to-file" rule, noninfringement,

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[1]On November 15, 2000, this case was stayed pending resolution of two different appeals to the Federal Circuit. The case was not reopened until March 20, 2003.

[2]AVE holds U.S. Patent Nos. 5,421,955; 5,514,154; and 5,603,721 relating to balloon expandable stents. (Id. at ¶3)

estoppel, invalidity, statute of limitations, laches, and federal preemption. (D.I. 8) ACS amended its answer on June 15, 1998 to add an additional affirmative defense of inequitable conduct and to assert invalidity counterclaims as to the Boneau patents. (D.I. 24 at ¶¶ 5, 6, 113, 114)

Due to its similarity to other actions involving the Boneau patents, this case will be tried with Civil Actions Nos. 98-80-SLR and 98-478-SLR.

The court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1338(a) and 2201(a). Pending before this court is ACS's and Guidant's partial summary judgment motion based on the doctrine of collateral estoppel. (D.I. 404) For the reasons stated this motion is denied.

II. BACKGROUND

The patents in suit claim various endovascular support devices that are generally used in the treatment of cardiovascular disease. Patents on stent technologies are not an area of first impression for this court. In 1997, Cordis Corporation sued Medtronic for infringement of U.S. Patent No. 5,195,984 ("the '984 patent") by the Microstent II, GFX and GFX 2 stents. (D.I. 409 at 2; 464 at 2) In that case, "connector member" was construed to mean "a discrete structure disposed or particularly arranged between adjacent tubular members in order to join them together." (D.I. 409 at 3; 464 at 2) The court

also construed "substantially parallel" to mean "the connector member must run in substantially the same direction as the longitudinal axis of the adjacent tubular members." Id. In its defense, Medtronic argued that the welds of the accused products were joints and not connector members and were not parallel to the longitudinal axis of the stent. (D.I. 409 at 4) The jury, however, returned a verdict for Cordis, finding that the welds of the accused products were connector members that ran parallel to the longitudinal axis of the stent. (Id. at 7; D.I. 464 at 3) Medtronic then filed a JMOL motion and a renewal motion based on grounds unrelated to its arguments regarding weld connections. (D.I. 409 at 7-8; D.I. 464 at 3) The court granted the JMOL, concluding that, due to prosecution history estoppel, Cordis was not entitled to assert some of the claims at issue. See Cordis Corp. v. Medtronic AVE, Inc., 194 F. Supp.2d 323, 345 (D. Del. 2002).

The Federal Circuit reversed the court's JMOL decision and remanded the case. See Cordis Corp. v. Medtronic AVE, Inc., 339 F.3d 1352 (Fed. Cir. 2003). The Federal Circuit refused to overturn the jury verdict with respect to the parallel limitation. See id. at 1363. Instead the Federal Circuit held that a reasonable jury could have concluded that Medtronic's welds were parallel to the longitudinal axis of the stent. See

id. The Federal Circuit did not address whether the welds of the devices met the "connector member" limitation itself.

Medtronic's motions for rehearing, rehearing en banc and its appeal to the Supreme Court were denied. See Cordis Corp. v. Medtronic AVE, 2003 U.S. App. LEXIS 22508 (Fed. Cir. 2003); Medtronic Vascular, Inc. v. Cordis Corp., 124 S. Ct. 1426 (2004).

III. STANDARD OF REVIEW

A court shall grant summary judgment only if "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c). The moving party bears the burden of proving that no genuine issue of material fact exists. See Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 586 n.10 (1986). "Facts that could alter the outcome are 'material,' and disputes are 'genuine' if evidence exists from which a rational person could conclude that the position of the person with the burden of proof on the disputed issue is correct." Horowitz v. Fed. Kemper Life Assurance Co., 57 F.3d 300, 302 n.1 (3d Cir. 1995) (internal citations omitted). If the moving party has demonstrated an absence of material fact, the nonmoving party then "must come forward with 'specific facts showing that there is a genuine issue for trial.'" Matsushita, 475 U.S. at 587 (quoting Fed. R.

Civ. P. 56(e)). The court will "view the underlying facts and all reasonable inferences therefrom in the light most favorable to the party opposing the motion." Pa. Coal Ass'n v. Babbitt, 63 F.3d 231, 236 (3d Cir. 1995). The mere existence of some evidence in support of the nonmoving party, however, will not be sufficient for denial of a motion for summary judgment; there must be enough evidence to enable a jury reasonably to find for the nonmoving party on that issue. See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 249 (1986). If the nonmoving party fails to make a sufficient showing on an essential element of its case with respect to which it has the burden of proof, the moving party is entitled to judgment as a matter of law. See Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986).

IV. DISCUSSION

ACS and Guidant assert that Medtronic should be estopped from arguing that the welds of its patents are not connecting elements that are parallel to the longitudinal axis of the stent because Medtronic did not prevail on these arguments in Cordis v. Medtronic. (D.I. 409) To prevail on their motion for collateral estoppel, ACS and Guidant must demonstrate that four factors are met: (1) the issue to be precluded is the same as that involved in the prior action; (2) the issue was actually litigated; (3) it was a valid and final judgment; and (4) the determination was essential to the prior judgment. Burlington Northern Railroad

Co. v. Hyundai Merchant Marine Co., Ltd., 63 F.3d 1227, 1231 (3d Cir. 1995) (quoting In re Graham, 973 F.2d 1089, 1097 (3d Cir. 1992)).

Even if all the criteria are satisfied, application of the doctrine is "subject to an overriding fairness determination by the trial judge." Burlington, 63 F.3d at 1231. The party resisting collateral estoppel should be "permitted to demonstrate . . . that he did not have 'a fair opportunity procedurally, substantively and evidentially to pursue his claim the first time.'" Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation, 402 U.S. 313, 333 (1971) (quoting Eisel v. Columbia Packing Co., 181 F.Supp. 298, 301 (D. Mass. 1960)).

As applied here, the court finds that ACS and Guidant have not proved that the issue in this case is identical to the issue in Cordis. The patent that was at issue in Cordis is not at issue in this case, and none of the patents at issue in this case were at issue in Cordis. Thus, an identical issue has not been litigated in a previous trial. See generally Kearns v. General Motors Corp., 94 F.3d 1553, 1556 (Fed. Cir. 1999) ("it is not possible to show that the identical issue was presented in the sixteen patents that were not before the . . . court . . ., for each patent, by law, covers a independent and distinct invention"); Suntiger, Inc. v. Scientific Research Funding Group,

189 F.3d 1327, 1333 (Fed. Cir. 1999) (holding that collateral estoppel did not apply to appeals concerning different patents).

ACS and Guidant argue that the issue is identical because the issue of whether Medtronic's weld connections are discrete structures, that are parallel to a longitudinal axis, is a factual one that has already been decided. However, these categorizations of the weld connections were based on the claim construction of a different patent. It goes without saying that the court's construction of the claims of the '984 patent do not necessarily affect its construction of the patents in suit. Therefore, Medtronic is entitled to argue that its weld connections do not meet the limitations of the asserted claims at issue, despite the fact that it can no longer argue that the weld connections do not meet the limitations of the '984 patent.

V. CONCLUSION

For the reasons stated, ACS's and Guidant's motion for partial summary judgment is denied. An order consistent with this memorandum opinion shall issue.